



GS HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 201427862D)

PROPOSED ISSUE OF 8,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY TO MR. LEE SAI SING

1 INTRODUCTION

The Board of Directors (the “**Board**”) of GS Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has, on 14 June 2016, entered into a placement agreement (“**Placement Agreement**”) with Mr. Lee Sai Sing (“**Placee**”), pursuant to which the Company proposes to issue 8,000,000 new ordinary shares in the capital of the Company (“**Placement Shares**”) at a placement price of S\$0.285 (“**Placement Price**”) for each Placement Share (“**Proposed Placement**”).

The Placement Price was arrived at following arm’s length negotiations between the Company and the Placee and represents a discount of approximately 9.95% to the volume weighted average price of S\$0.3165 for each share of the Company (“**Share**”) for trades done on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) for the full market day on 13 June 2016 (being the last full market day prior to the signing of the Placement Agreement).

The offer of the Placement Shares from the Company to the Placee will be undertaken in accordance with Section 275 of the Securities and Futures Act, Chapter 289 of Singapore. It is not made in or accompanied by a prospectus that is registered by the Monetary Authority of Singapore.

The Sponsor of the Company, UOB Kay Hian Private Limited, will be making an application on behalf of the Company to the SGX-ST for the listing of and quotation for the Placement Shares on the Catalist of the SGX-ST.

2 RATIONALE FOR THE PROPOSED PLACEMENT

The rationale for the Proposed Placement is to raise funds for the expansion of the Group’s dishware washing operations in the hospitality industry, following the contract secured by the Company from Suntec Singapore Convention & Exhibition Centre, marking the Group’s entry into the Meetings, Incentive, Travel, Conventions & Exhibitions (“**MICE**”) industry in Singapore.

The aggregate consideration payable by the Placee is S\$2,280,000. The estimated net proceeds from the Proposed Placement is S\$2,250,000 (after deducting estimated fees and expenses of approximately S\$30,000) (“**Net Proceeds**”). The Company intends to utilise the Net Proceeds in the following proportions:

Use of Net Proceeds	Proportion (%)	Amount
Expansion of the Group’s dishware washing operations in the hospitality industry	70	S\$1,575,000
General working capital	30	S\$675,000

Pending deployment of the Net Proceeds for such purposes, the Net Proceeds may be placed in deposits with financial institutions or invested in short-term money market instruments or

used for any other purposes on a short-term basis as the Directors may in their absolute discretion deem fit in the interests of the Group.

The Company will make periodic announcements on the utilisation of the Net Proceeds as and when the Net Proceeds are materially disbursed, and will provide a status report on the use of the Net Proceeds in the annual report of the Company.

3 INFORMATION ON THE PLACEE

The Placee is a private investor who expressed an interest in investing in the Company, and is subscribing for the Placement Shares for investment purposes.

The Placee has no connection (including business dealings) with the Company, its controlling shareholders or its Directors, and will not hold the Placement Shares in trust or as a nominee for other persons.

As at the date of this announcement, the Placee has an interest in 5,990,000 Shares, representing approximately 4.83% of the issued share capital of the Company. Upon completion of the Proposed Placement, the Placee will have an interest in 13,990,000 Shares representing approximately 10.60% of the enlarged share capital of the Company.

4 PRINCIPAL TERMS OF THE PLACEMENT AGREEMENT

4.1 Placement Shares and Placement Price

The Placee agrees to subscribe and pay for the 8,000,000 Placement Shares at the Placement Price of S\$0.285.

The Placement Shares shall be issued free from all claims, charges, liens and other encumbrances whatsoever and shall rank, *pari passu*, in all respects with the existing Shares save that they will not rank for any dividends, rights, allotments or other distributions, the Record Date of which falls on or before the date of completion of the Proposed Placement ("**Completion Date**"). The term "**Record Date**" means the date fixed by the Company for the purposes of determining the entitlements to dividends or other distributions to or rights of holders of Shares.

4.2 Conditions Precedent

Completion of the Proposed Placement shall be conditional upon the following:

- (a) the listing and quotation notice from the SGX-ST for the listing of the Placement Shares ("**SGX Approval**") having been obtained (on terms and conditions acceptable to the Company and the Placee, each acting reasonably) and not being revoked or amended;
- (b) any conditions attached to the SGX Approval which is required to be fulfilled on or before the Completion Date, having been fulfilled on or before that date to the satisfaction of the SGX-ST unless waived by the SGX-ST;
- (c) the Proposed Placement not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Placement Agreement by any legislative, executive or regulatory body or authority of Singapore or elsewhere which is applicable to the Company or the Placee (including but not limited to the SGX-ST);
- (d) there having been, as at the Completion Date, no occurrence of any event nor the discovery of any fact rendering untrue or incorrect in any material respect any of the representations and warranties as if they were repeated on and as of the Completion Date; and

- (e) the Company or the Placee not in breach of any of the undertakings and covenants given in the Placement Agreement as at the Completion Date, and if any of such undertakings and covenants are required to be fulfilled on or before the Completion Date, such undertakings and covenants shall have been fulfilled prior to the Completion Date.

(collectively, the “**Conditions Precedent**”)

If any of the Conditions Precedent is not satisfied or waived in whole or in part by the Company on or before the date falling 90 calendar days after the date of the Placement Agreement or such other date as the Company and the Placee may agree, the Company and the Placee shall be released and discharged from their respective obligations under the Placement Agreement, save for certain rights and liabilities accrued on or prior to such termination according to the terms of the Placement Agreement.

4.3 **Completion**

Completion of the Proposed Placement shall take place five business days after the last of the Conditions Precedent is satisfied (or, if that day is not a business day, on the next business day), or such other date as the Company and the Placee may agree in writing.

5 **AUTHORITY TO ISSUE THE PLACEMENT SHARES**

The Placement Shares will be issued pursuant to the share issue mandate (“**Share Issue Mandate**”) which was approved by shareholders of the Company at the annual general meeting of the Company convened on 15 April 2016 (“**AGM**”). Pursuant to the Share Issue Mandate, Directors of the Company have the authority to issue Shares and/or make or grant offers, agreements, or options (collectively, “**Instruments**”) that might or would require Shares to be issued, such that the aggregate number of Shares to be issued (including Shares to be issued in pursuant of Instruments made or granted) does not exceed 100% of the total number of issued Shares (excluding treasury shares) as at the date of the AGM, of which the aggregate number of Shares and convertible securities to be issued (including Shares to be issued pursuant to the Instruments) other than on a pro rata basis to existing shareholders of the Company shall not exceed 50% of the total number of issued Shares (excluding treasury shares) as at the date of the AGM.

As at the date of the AGM, the Company had an issued share capital of 124,000,000 Shares. As at the date of this announcement, no Share was issued pursuant to the Share Issue Mandate. Accordingly, the total number of Shares that may be issued pursuant to the Share Issue Mandate is 124,000,000 Shares, of which the maximum number of Shares that can be issued other than on a pro rata basis is 62,000,000 Shares. The 8,000,000 Placement Shares that may be issued pursuant to the Proposed Placement falls within the limits of the Share Issue Mandate.

As at the date of this announcement, the 8,000,000 Placement Shares that may be issued pursuant to the Proposed Placement represents approximately 6.45% of the issued share capital of the Company and 6.06% of the enlarged share capital of the Company.

6 **FINANCIAL EFFECTS**

The financial effects of the Proposed Placement on the net tangible asset (“**NTA**”) per Share and the earnings per Share (“**EPS**”) are prepared for illustration only and do not purport to reflect the actual future results and financial position of the Group following completion of the Proposed Placement. The financial effects have been computed based on the following bases and assumptions:

- (a) the audited consolidated financial statements of the Group for the financial year ended 31 December 2015;

- (b) the effect of the Proposed Placement on the NTA per Share is computed based on the issued share capital of 124,000,000 Shares before the Proposed Placement and the assumption that the Proposed Placement was completed on 31 December 2015; and
- (c) the effect of the Proposed Placement on the EPS is computed based on the issued share capital of 124,000,000 Shares before the Proposed Placement and the assumption that the Proposed Placement was completed on 1 January 2015.

	Before Completion of the Proposed Placement	After Completion of the Proposed Placement
Issued and paid-up share capital (S\$)	3,704,556	5,984,556
Number of Shares	124,000,000	132,000,000
NTA per Share (cents)	0.86	2.52
EPS (cents)	(1.74)	(1.63)

7 CHANGE IN SHAREHOLDING INTEREST OF CONTROLLING SHAREHOLDERS

The shareholding interest of the controlling shareholder of the Company, before and after the Proposed Placement, as a percentage of the current share capital of the Company as at the date of this announcement and the enlarged share capital, respectively, is set out below:

Name	Number of Shares before the Proposed Placement	As a % of the total share capital before the Proposed Placement	Number of Shares after the Proposed Placement	As a % of the total share capital after the Proposed Placement
Pang Pok	84,200,000	67.90%	84,200,000	63.79%

There will be no change in control in the company pursuant to the completion of the proposed placement.

8 DIRECTORS' OPINION ON WORKING CAPITAL

The Directors are of the opinion that, after taking into consideration the present bank facilities, the working capital available to the Group is sufficient to meet its present requirements. Nevertheless, the Company intends to utilise the Net Proceeds for the expansion of the Group's dishware washing operations in the hospitality industry and for general working capital.

The Directors are of the opinion that, after taking into consideration the present bank facilities and the Net Proceeds, the working capital available to the Group is sufficient to meet its present requirements.

9 INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Proposed Placement, other than their respective interests in the Shares.

10 GENERAL

The Company will make the necessary announcements once the listing and quotation notice for the Placement Shares has been obtained from the SGX-ST.

11 DIRECTORS' RESPONSIBILITY STATEMENT

The Directors of the Company collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable

enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Placement, the Company and its subsidiaries, and the Directors of the Company are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors of the Company has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the announcement in its proper form and context.

BY ORDER OF THE BOARD

Pang Pok
Executive Chairman and Chief Executive Officer

15 June 2016

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "**Sponsor**") for compliance with the relevant Catalist Rules. The Sponsor has not independently verified the contents of this announcement.*

*This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made, or reports contained in this announcement.*

The contact persons for the Sponsor are Mr Alvin Soh, Head of Catalist Operations, Senior Vice President, and Mr Lan Kang Ming, Vice President, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.